

MORE THAN MONEY



STATE OF CALIFORNIA

EDMUND G. BROWN
Governor

Annual Report
1958-1959

DEPARTMENT OF SOCIAL WELFARE

J. M. WEDEMEYER
Director

MORE THAN MONEY

Annual Report of the
State Department of Social Welfare

July 1, 1958, to June 30, 1959

EDMUND G. BROWN
Governor of California

J. M. WEDEMEYER
Director
Department of Social Welfare

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(Statistical and Fiscal Data Tables are available in a separate booklet and can be obtained on request to the State Department of Social Welfare.)

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The Honorable Edmund G. Brown
Governor of California
State Capitol
Sacramento 14, California

ADDRESS REPLY TO: 722 Capitol Avenue
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Dear Governor Brown:

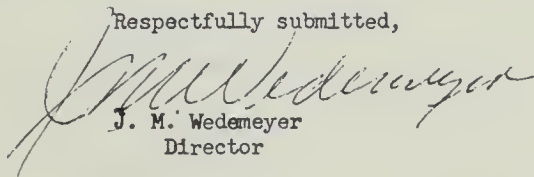
It is a pleasure to comply with Section 123 of the Welfare and Institutions Code in transmitting herewith the report of the State Department of Social Welfare for the year ending June 30, 1959.

Although I have been in office only since Monday, March 9, 1959, I have initiated a serious and forceful program to carry out your policy of being liberal in a responsible manner.

The theme of this report, "More than Money," is an important part of being liberal in a responsible manner. While money is a basic need, the need for services which will help needy people recover or gain an accepted economic status is even more important in serving all the people.

You can be well assured that your policy of being liberal in a responsible manner will be even more vigorously pursued during the 1959-1960 fiscal year, which will be my first full fiscal year.

Respectfully submitted,


J. M. Wedemeyer
Director

Welfare Programs That Serve California

OAS
(Old Age Security)

AB
(Aid to Needy Blind)
(Aid to Partially Self-supporting Blind)
(Prevention of Blindness Program)

ANC
(Aid to Needy Children Program)

ATD
(Aid to Needy Disabled)

Medical Care Program

General Relief Programs

CWS
(Child Welfare Services)

Adoptions

Licensing of Homes and Institutions

WELFARE SERVES EVERY CALIFORNIAN

The title of these opening remarks about the activity of the State Department of Social Welfare during the fiscal year 1958-59, "Welfare Serves Every Californian," probably sounds a little far-reaching. It may even sound improbable and impossible; however, a careful reading of one paragraph in the Welfare and Institutions Code will explain the mission of this department very simply and honestly.

"It is the legislative intent that assistance shall be administered promptly and humanely, with due regard for the preservation of family life, and without discrimination on account of race, religion, or political affiliation; and that assistance shall be so administered as to encourage self-respect, self-reliance, and the desire to be a good citizen, useful to society."

Assistance administered promptly and humanely does help each individual who needs this help. It also helps the members of the community in the maintenance of standards of decency and respect. Each needy individual who receives help presents a problem or problems that must be solved and will be solved—in one form or another—either as an expense to the taxpayers as a whole in a controlled manner or in a sometimes uncontrolled and more costly manner.

The preservation of family life we all believe to be one of the most vital and important functions in any society. Our freedom and our progress rests upon the family. Misfortune and the consequent low standards of living must not condemn the family to a subnormal life which will in time hurt the community. Welfare must serve every Californian by preventing deterioration of family life and the inevitable damage to the community.

Without discrimination—that speaks without any explanation. Harm to any one group will in turn harm all other groups.

Finally, the encouragement of self-respect, self-reliance, and the desire to be a good citizen, useful to society, is the goal of every citizen, and therefore should not be denied anyone, especially those who suffer from misfortune, and deprivation.

In carrying out the mission set forth above, every citizen in this state will benefit—many directly and many more indirectly.

To do that the taxes furnished by the taxpayers must be carefully used in grants of assistance accompanied by progressive social work that helps solve the problems that cause people to be needy.

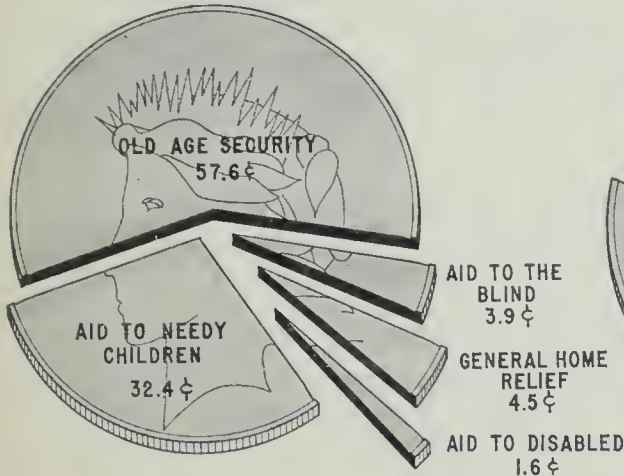
To solve problems "more than money" is needed: the skills of the social worker—the skills of the workers in allied activities—and the interest and co-operation of all members of the community.

I think you will find in reading this report that "more than money" helps our fellow Californians and as the State grows and society advances the need for "more than money" will increase and increase until all the problems are solved. But when will that be accomplished?

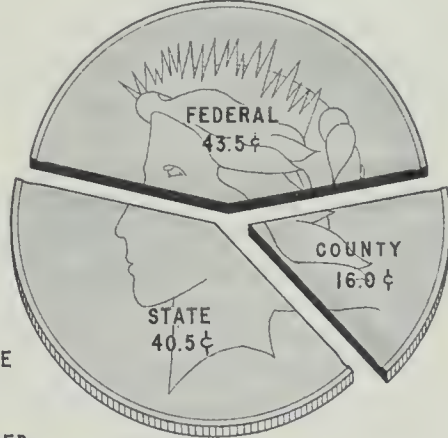
STATE OF CALIFORNIA
THE PUBLIC ASSISTANCE DOLLAR*

JUNE 1959

BY PROGRAM



BY SOURCE



* EXCLUDES VENDOR PAYMENTS

THIS IS HOW WELFARE SERVES

EVERY CALIFORNIAN

The accomplishment of the responsibility and operation of certain social welfare programs in California, as identified from the statutes, is a matter of joint effort among the State Department of Social Welfare, the counties, and the private agencies whose activities bring them within the department's responsibilities.

California has a strong tradition of local autonomy and the method of organization and administration of welfare services with which this department is concerned stresses that type of co-operation. At the same time it allows for the ever-present and often detailed interest of the legislative and executive branches in the administration of welfare programs throughout the State.

In any legislative session, for example, the great majority of welfare bills (about 200 during the 1959 Session) are introduced by legislators not at the request of the Governor nor the county boards of supervisors but because of the interests of the legislators themselves, based upon matters made known to them by their constituents or by their own observations.

County boards of supervisors are active, legislatively, through their association, and the Governor proposes needed legislation, notably in the past few years, a medical care program for public assistance recipients.

The responsibility of this department is to bring about a uniform statewide administration of the statutes. Its most important activity in this regard is the development of policies and standards which are considered and adopted by the State Social Welfare Board as rule and regulation. These rules and regulations are binding upon the local public and private agencies which actually administer the program or upon the department itself in those functions it performs directly.

For the local agencies charged with program administration, these rules and regulations provide the basis for uniform application of the statute throughout the State. Because of the wide variety of conditions upon which uniform determinations must be made, considerable care is taken in their preparation. All regulations are carefully discussed before adoption with representatives of local agencies. The State Social Welfare Board is informed of the reasons for and the intended effect of the proposed regulations and on its own motion may direct that certain policies be examined and that proposals be brought before it for consideration.

The policies of the department deal primarily with the rights and responsibilities of the individuals served under the statutes. They have dealt to a limited extent with standards applicable to the local agencies themselves.

At the inception of the large public assistance programs, public interest was centered primarily upon the conditions qualifying the

individual for assistance. In the current decade, this interest has broadened considerably. In respect to the aged, there is a continuing interest in the adequacy of the minimum income available. Even more marked, however, is the interest in how old people live, in their last years, away from their families, in boarding homes and institutions. In Aid to Needy Children, especially, has interest gone beyond the qualifying characteristics related to economic need to the behavioral problems which lead to dependency upon public support.

In these areas of bettering the living conditions and living patterns of the individual, only a limited progress can be made through the adoption of rule and regulation. The question is not so much "what" as "how." Whatever is to be accomplished in the betterment demanded by public concern is in the service given by the representative of the local agency to the recipient—i.e., the service given by the social worker.

The function of this department, therefore, is to take those steps which will lead to the enhancement of the quality of service, not only in terms of qualification and training, but in the methods of work, as well. Local agencies express concern about the difficult and complex problem of improving practice. The development and promoting of approaches to this problem is currently one of the most important functions of the department.

The need for social workers in California has been so pressing and so constant that over the years public welfare agencies have had to employ and are continuing to employ—as beginning caseworkers, people who have not acquired through formal education or experience, the knowledge, understanding, and skills needed for the successful and economical operation of welfare programs.

Training and staff development was stressed during the fiscal year. This included state-sponsored training in the department itself and through California on a co-operative basis, together with utilization of all outside educational resources. On the long-range side, formal educational institutions have been encouraged to expand their facilities. One example was the utilization of some of the federal child welfare services funds to grant 58 child welfare scholarships.

Closely related to the enhancement of the service given by the caseworker is the corresponding problem of personnel management. The successful operation of the state-local system depends upon the continuation of a corps of competent workers. Specifications of level of experience and skill, pay, conditions of tenure, play an important part. Most important, however, are those activities which will lead to a continued improvement in the availability of competent workers for welfare departments and in promotional practices and methods which adequately fill leadership positions. The function of the department is to promote this improvement through its part in the operation of the merit system for welfare departments and in its central supervisory capacity.

Every employee, state and counties, engaged in public assistance or child welfare services for which federal funds are provided is required by law to be under an employment merit system. In California there are three merit systems: Employees in 13 county welfare departments are under an independent county civil service

plan. Employees in 45 county welfare departments are under a county merit system directly administered by this department and the State Social Welfare Board. The board has appointed county representatives to a Merit System Advisory Committee to assist in reviewing policies and procedures. Finally, the employees of this department are under the state civil service.

There is no set of characteristic patterns for the organization and staffing of local agencies. In part this is due to the tradition of local autonomy in the State and in part to the considerable differences which exist among California counties as regards local community organization, geography, and local conceptions of the appropriate amounts for administrative costs or appropriate objects of expenditures. The considerable variation in unit costs and the considerable variation in local methods, especially as regards planning and program evaluation, require the maintenance on the part of the department of its resources in terms of management consultation services.

This department started an experiment to improve budgeting methods for county welfare departments. The goal of this experiment is a more accurate method of budgeting administrative expenditures on the basis of dollar costs per unit of activities or services performed. Current practice of most counties is to budget on a formula of cases or persons served per social worker. While this may provide sufficient staff in some instances, it is not accurately related to the work performed.

Although a large proportion of the recipients require only financial assistance plus limited other services, studies point to the need of selected recipients for special types of service. The first group, once identified, can be served effectively and efficiently with a minimum amount of staff time and cost. The latter requires additional time and intensive casework if the needs are to be adequately met.

In any body of policy as extensive as that encompassed by the statutes administered through the department, there are continual questions about the application of the policy on the one hand and about its appropriateness on the other. Situations in which the application of policy is not clear or in which there is misunderstanding require the department to interpret and explain. Of major importance is the study of the appropriateness and the effect of the policy itself and whether the ends anticipated are being accomplished. A major function of the department is to provide the necessary communication, evaluation and redefinition to allow local agencies to operate uniformly on the one hand, or to allow the board, the Governor or the Legislature to redefine the existing policy structure.

Allied to this function is that of appraisal of the quality of the administration of the local agency, whether in fact its operations are producing the results contemplated by the statutes and the rules of the State Social Welfare Board. In the event that it is not, the department has responsibility to make recommendations which will bring local operation to the desired level of quality; if these are not adopted, then the department has the responsibility to enforce its recommendations.

There are occasional instances in which the rules and regulations of the State Social Welfare Board are not followed. In most of such instances, the local agency believes it has validly interpreted the rule in a manner different from that intended and interpreted by the de-

partment. In such instances the function of the department is to apply sanctions or engage in legal proceedings to enforce the rule.

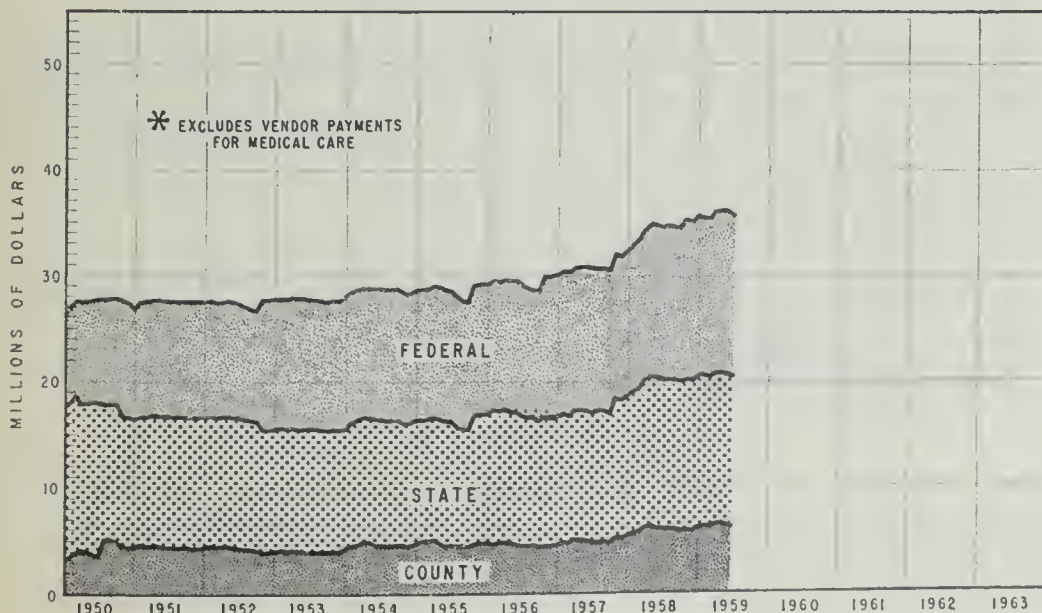
The department engages in some direct administrative operations. Any recipient of the public assistance programs for which the department has responsibility may appeal to the State Social Welfare Board from a determination by the county board of supervisors. These appeals are heard by the referees of the board, and the decision of the board is binding upon the county.

The department licenses institutions for the reception and care of aged persons and children and licenses private agencies which place children for temporary care. The department licenses public and private agencies to accept relinquishments and place children for adoption and makes reports to the court on independent adoptions. The department participates actively in the adoption in this country of foreign children. The department accredits local agencies to investigate and license boarding homes for aged and children. In its operations in these fields, the department has concerned itself not only with the physical aspects of care, but with the well-being of the persons receiving care. Problems in the placement of children in facilities most appropriate to their needs have been an especial concern as well as the reuniting of these children with their families whenever possible.

In respect to the aged, the department issues certificates to institutions which enter into contracts for life care. Such facilities must be licensed as meeting the standards adopted by the State Social Welfare Board; the certificate is concerned with the financial structure of the institutions offering such contracts.

The following pages contain more specific information about the services for California citizens which were available during the fiscal year, 1958-59.

STATE OF CALIFORNIA
TOTAL PUBLIC ASSISTANCE EXPENDITURES*
 BY MONTH, JANUARY 1950 TO JUNE 1959



THE AGED

Old Age Security provides assistance to persons 65 years of age or over who do not have sufficient financial resources to support themselves. A recipient must be a citizen of the United States and have at least five years of California residence. He may not own more than \$1,200 of personal property nor real property with a net assessed value of more than \$5,000. A minimum monthly income of \$90 is guaranteed. Additional special needs may be allowed from the recipient's own income or, in some instances, by additional public funds.

A recipient of Old Age Security may receive out-patient medical care from a practitioner of his own choice.

In June 1959, 261,200 persons received Old Age Security. The average age of recipients is 76 years. Two-thirds are women. About 100,000 recipients live alone and about 53,000 live with adult children. Thirteen thousand live in boarding homes, rest homes, or institutions. Thirty-seven thousand cannot care for themselves, and of these 8,000 are bedridden. Over 3,000 are in public hospitals and 80 percent of these are estimated to need hospitalization indefinitely. Ninety thousand receive out-patient medical or remedial care during the month.

Persons, associations or organizations operating facilities for the reception and care of persons 65 years of age or over must be licensed by the State Department of Social Welfare. Boarding homes for aged are licensed by county agencies under delegation by the State Department of Social Welfare.

These facilities are for persons who can take care of themselves. Facilities providing medical or nursing care are licensed by the State Department of Public Health, and those providing special care because of mental conditions are licensed by the State Department of Mental Health.

The State Department of Social Welfare licenses 220 institutions with a total capacity for over 12,600 persons. County agencies license in excess of 3,000 boarding homes with a total capacity for 15,000 persons. The average boarding home has five guests.

Fifty-one licensed facilities have certificates of authority to provide life care. Three thousand two hundred and thirty-two persons are covered by such contracts. The estimated remaining value of these contracts (computed on the basis of life expectancy and cost of care) is \$23 million.

NEEDS OF THE AGED

HOUSING. It is known that the limited income of the aged person living alone frequently necessitates rental of substandard housing. These structures are located in the poorest, oldest sections of cities and are generally quite dilapidated. Home ownership by the single person or the aged couple presents problems; upkeep is often beyond both physical capacities and financial means. Clean, comfortable, low-cost housing should be made available to aged recipients but additional study must be undertaken to identify the extent of the demand and best method of meeting it.

EMPLOYMENT. There are many recipients of aid who would be happier if they could be working at least part-time. The prevailing practice in industry of excluding older workers is discriminatory against the able and willing person whose advanced years are erroneously considered a handicap. It is important for work opportunities to be available so those over 65 years can choose between receiving aid or employment.

REHABILITATION. Many aged chronically ill persons are condemned to a life of invalidism because modern methods for restoration of bodily functions are not followed. Experience with the application of physical rehabilitation to chronically ill bed patients over 65 years of age has established that a majority can be restored within a year to ambulation and partial or complete self-care. Nursing homes and county hospitals, if staffed and equipped for rehabilitation, would greatly reduce the number of bed patients and the cost of care.

HOME CARE. Many aged persons must seek care in a medical facility because they are unable to care for themselves in their own homes. Many must remain in medical facilities because there is no one to care for them at home. A visiting nurse program and homemaker help are resources which should be available in each community to afford the aged person the small additional assistance to live in familiar and desired surroundings.

Available funds are not sufficient to pay for good care in the type of facility appropriate to the needs of all aged persons. Since about one-third of recipients of Old Age Security have no other income, this is a pressing problem for this group.

SOCIAL NEEDS. Research is proving that advanced years are not synonymous with illness and senility but that these conditions are the outgrowth of psychological neglect which accelerate and complicate the normal changes of age. In a society not geared to easy absorption of the older person, the public must be informed of this cause and effect relationship so that communities will take more initiative to provide a hospitable, wholesome environment. Needed companionship can be afforded through golden age clubs and volunteer services.

DEVELOPMENTS

OUT-OF-HOME CARE. A statewide study, conducted in 1958, of Old Age Security recipients living in boarding and nursing homes, institutions, and private and county hospitals, revealed a number of areas requiring joint activity by this department and county welfare depart-

ments. Some of the problems indicate the need for further study and others necessitate development of community resources. Deficiencies concerning the social services provided by county welfare departments will be approached through intensive training efforts.

Advisory Committee on Institutions for Aged Persons meets to advise the department on rules and regulations governing institutions, and on the development of resources for the improvement of services. During the last year, the committee recommended changes in standards pertaining to policies and procedures for admission of residents, for continuing care in institutions in order to clarify the distinction between professional nursing care and the supportive services appropriate to substitute-home care. It also recommended revisions in building requirements to make more practical and enforceable such regulations necessary for the protection of the health and welfare of aged residents.

ADEQUACY OF GRANT. Recommendations regarding the adequacy of the grant made by a committee of experts have served as a basis for administrative planning and have been, to date, incorporated to a limited degree into revisions of existing policies.

CASELOAD MANAGEMENT. In view of rising costs of administration and the increased need for services to aged recipients, the department developed a plan for classifying recipients according to their need for social services. Through this identification process, the time and attention of the social worker is channeled to those persons in the caseload requiring help.

HOMEMAKER SERVICE. Provisions have been made for county welfare departments to hire staff to serve as homemakers for ill or infirm recipients. Fifty percent of the costs to the county can be reimbursed from federal funds. An increasing number of county agencies are establishing this service, as they recognize that this permits the aged person to remain in his own home, it frees a hospital or nursing home bed for an acutely ill person, and it substantially reduces costs.

FRIENDLY VISITOR PROGRAM. This department, in co-operation with the Pacific Area Office of the American Red Cross and with the assistance of related state departments, is developing a program of friendly visiting for aged and disabled recipients living in nursing homes, homes for aged, and in their own homes. Local Red Cross chapters will recruit and train volunteers, while the county welfare departments will supply the homes of lonely persons who through this friendship therapy can be recalled from social isolation. Pilot projects will be conducted in three counties prior to instituting the service statewide.

FUTURE CONSIDERATIONS

STAFF TRAINING. Concerted efforts must be made to recruit trained social workers to the aged program and to provide more intensive statewide in-service training for present staff members. Schools of social work and agencies, generally, have overlooked the need for skilled help for the aging. Heretofore, attention has been focused on the financial aspects of the Old Age Security program, but with the mounting evidence that emotional deprivation causes increased physical and men-

tal problems, emphasis must be placed upon casework help and the use of community activities.

Additional training is needed by administrators and staff of licensed homes. Although many licensees have become proficient through experience in caring for the aged, many have not had professional or specialized training for the complex responsibilities they must assume.

COMMUNITY SERVICES.

Though the development of greater professional competence for social work personnel dealing with the aged is clearly indicated, there are many needs of the aged person which cannot be met through the welfare department. Co-operation from the fields of health, housing, recreation, employment and education is essential if the needed comprehensive range of services is to come into being. This department on the state level and welfare departments locally are aware of the problems of aged recipients and all must take the leadership in informing other interested groups of the need for action.

THE TREND.

The 1957-58 recession temporarily reversed the gradual downtrend of the Old Age Security caseload which began in 1952, and the number of Old Age Security recipients increased in the early months of the fiscal year. However, during the latter half of the fiscal year, the caseload reflected improved economic conditions as it resumed the downward trend at an accelerated pace. The number of persons receiving Old Age Security was 265,800 in July 1958; it fell to 261,200 by June 1959. The average caseload during the fiscal year was 264,000, about 1,300 less than the average caseload for the previous fiscal year.

There has been a continuous drop in the proportion of the aged population receiving aid. In June 1951, approximately 29.3 percent of all persons aged 65 and over in California were receiving Old Age Security. By June 1959, the percentage on Old Age Security had fallen to 21.5 percent, and the trend is steadily downward. Major factor behind this decline is the increased coverage and adequacy of Old Age and Survivors Insurance benefits (OASI).

As the OASI benefits begin more and more to meet the needs of the aged recipients at the assistance standard, the Old Age Security caseload and recipient rate can be expected to decrease further. In December 1950, only 25 percent of California's aged population received OASI benefits averaging \$40 per month; as of the end of June 1958, almost two-thirds of the state's population aged 65 or more received OASI benefits averaging \$59 per month.

Despite the decrease in caseload, total assistance payments for Old Age Security increased \$2.5 million over the 1957-58 fiscal year. This increase was due to the passing on of a portion of additional federal money which became available through a change in the sharing formula beginning October 1958. Grant maxima were increased by \$1.¹ The average monthly grant was \$78.20 for the 1958-59 fiscal year as compared with \$77.05 in 1957-58. The increased federal participation more than absorbed the increase in total assistance costs; state and county shares for the 1958-59 fiscal year fell by \$499,000 and \$66,800 respectively from the 1957-58 expenditure levels.

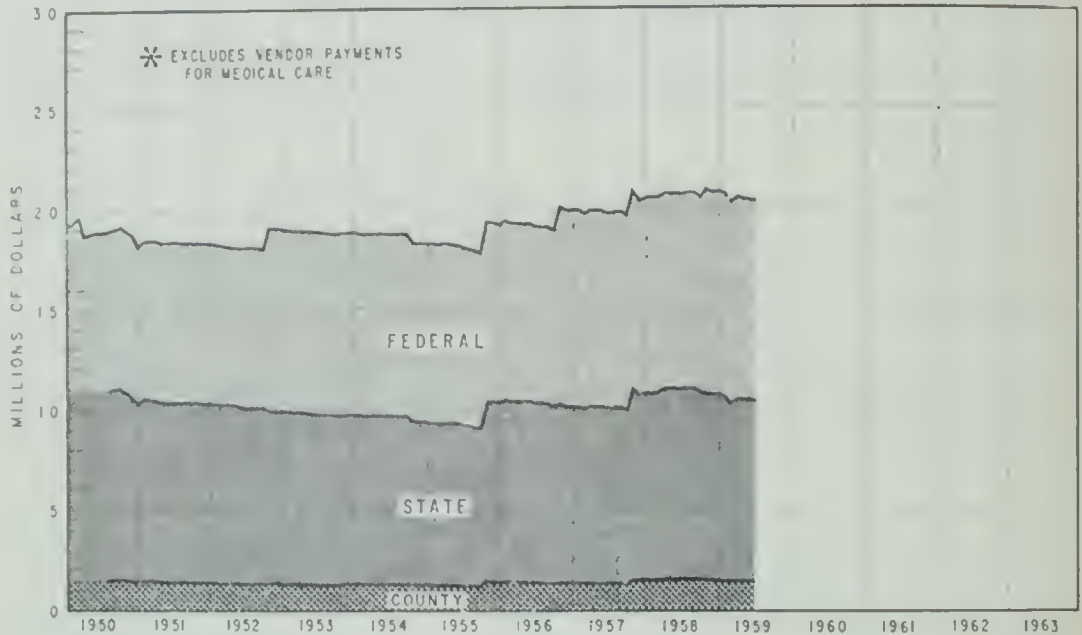
¹ Effective October 1958, grant maxima ranged from \$90 to \$106; previously the range had been \$89 to \$105.

LEGISLATION.

The statutes enacted by the State Legislature during the 1959 Session provided increased aid, clarified certain sections, and liberalized various aspects of the program. The grant maxima effective January 1, 1960, was raised to a new level of \$95 to \$115, according to the recipient's need. Other changes related to applications, retroactive corrective action, payment in public medical institutions, payment in benevolent institutions, life lease contracts, appeal period, payments on debts, and a source of payment for medical care.

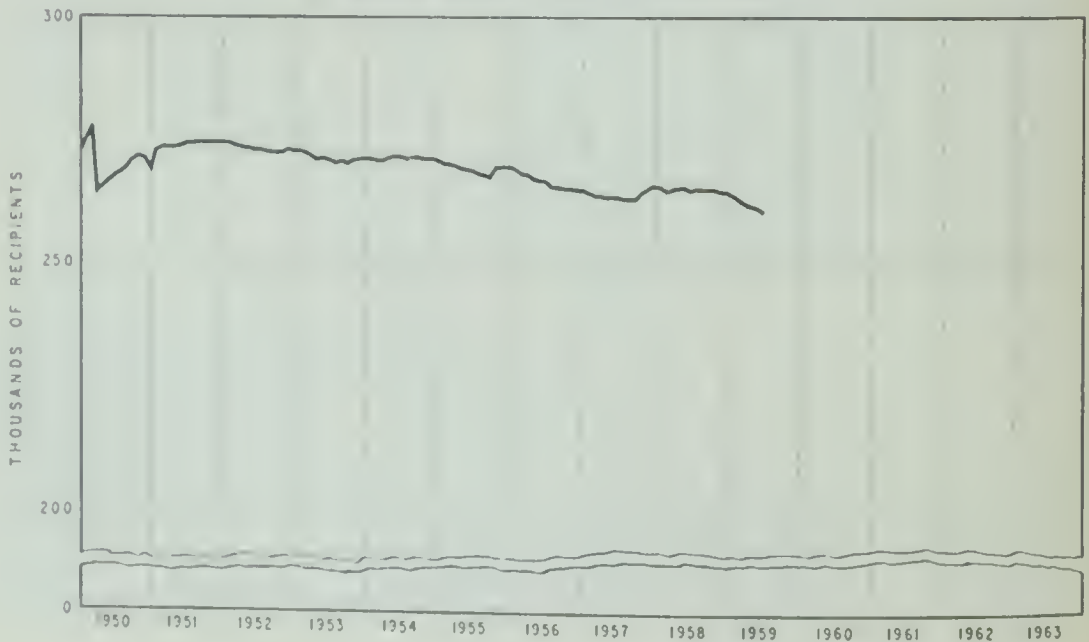
STATE OF CALIFORNIA
EXPENDITURES* FOR OLD AGE SECURITY

BY MONTH, JANUARY 1950 TO JUNE 1959



STATE OF CALIFORNIA
RECIPIENTS OF OLD AGE SECURITY

BY MONTH, JANUARY 1950 TO JUNE 1959



THE BLIND

Aid to the Needy Blind Program provides financial assistance to persons 16 years of age or over whose visual impairment is within the definition of economic blindness which is defined as not more than one-tenth of normal vision in the better eye, corrected. Recipients must have five years' residence, except that if a person became blind while residing in California, he must be a resident when he applies. Personal property less encumbrances of record may not exceed \$1,200 and the net assessed value of real property cannot exceed \$5,000. A minimum income of \$110 is guaranteed, except that the first \$50 of earned income monthly is not counted.

Aid to the Partially Self-supporting Blind Residents program follows generally the above requirements, except that: a. The recipient must have a plan for self-support. b. A recipient may retain income of \$1,000 a year and one-half of income in excess of \$1,000 a year. c. A recipient may own real or personal property the net assessed value of which is \$5,000, and an additional \$5,000 may be owned if such additional property is necessary to carry out his plan for self-support.

Out-patient medical care is available to a recipient of Aid to Needy Blind and Aid to Partially Self-supporting Blind Residents from a practitioner of his own choice.

In June 1959, 13,761 persons received Aid to Needy Blind with an average grant of \$97.24. There were 303 recipients of Aid to the Partially Self-supporting Blind Residents with an average cash grant of \$108.82.

The average age of recipients of Aid to the Blind is 69 years and about 900 are under 40 years of age. Slightly less than a quarter live alone, over half (55 percent) live with close relatives; spouse, children, parents. In comparison with Old Age Security, financial need is greater and the incidence of income less. Encouragement to compensate for the specific handicap of blindness is the single most important characteristic of these programs.

Under the program for Prevention of Blindness, the state pays the entire cost of treatment for applicants for or recipients of aid whose vision can be restored or blindness prevented by treatment or operation.

During the fiscal year 1958-59, 267 surgeries were performed. Over 90 percent of all surgeries are cataract extraction. Approximately 93 percent of patients obtain improved vision as a result of the surgery.

NEEDS OF THE BLIND

Sight is a person's primary sense. Without this sense of sight a person must become adjusted to a world and a society geared to sighted people. A progressive program for the blind is one designed to facilitate that adjustment and to regard a blind person as essentially an individual with the goal of full integration into society. This can best be done by fashioning the programs to promote all-around rehabilitation, i.e., the restoration of the individual to the highest possible measure of health, usefulness and satisfaction.

It is further obvious that financial support and encouragement through education, training, sight restoration, and rehabilitation accrue to the financial benefit of the State.

Opportunity for varied services to blind persons is available through several State agencies, i.e., Departments of Social Welfare, Health, and many segments of the Department of Education as well as through some private agencies. The State Department of Social Welfare and the counties are charged with the responsibility to provide financial aid to those eligible to receive it, and to provide such services as are needed and available to help the blind person decrease his dependency.

In California, a Coordinating Council for the Blind exists in order to achieve maximum utilization of the resources of each State agency providing services to blind persons. The coordinating council consists of the directors of the State Departments of Social Welfare, Education, and Health.

There are no reliable statistics covering the incidence of blindness in California or in any of the other states. This is due to the many different interpretations of the word "blindness." However, it is known that in 1958 there were 9.60 blind persons receiving Aid to the Blind per 10,000 of the general population.

PROGRAM NEEDS. The program of Aid to the Blind was established by the Legislature 30 years ago. Over that period of time many needs have arisen and been met, often through legislative action. Currently the two major needs may be briefly summarized as follows:

At present if a recipient has special needs such as for housing or restaurant meals and he has no outside income with which to pay for these needs, he must be denied this care.

Some counties supplement from county funds the basic Aid to Needy Blind grant in order to meet such needs as boarding and nursing home care, homemaker or housekeeper services, etc. If the State could match such supplementation this would enable many more counties to provide this care which is so urgently required by some aged needy blind persons.

RECIPIENT NEEDS. There are three types of needs of recipients of a welfare program: needs common to all human beings; needs common to all members of a given category of assistance and stemming from the problems unique to the group; and those special needs peculiar to the given individual.

Less than one-half of the recipients of Aid to the Blind have income with which to meet their special needs. From a sampling of the caseload, it is known that the leading types of special needs are for a telephone, for housing and utilities, for laundry service, for care in

a boarding or nursing home, and for food. The absence of any resource with which to meet the cost of such special needs for so large a portion of the recipients of Aid to Needy Blind constitutes the most serious inadequacy in the program.

AID TO NEEDY BLIND.

In addition to financial aid, many of these persons received other services from their county welfare departments to promote a fuller life. Actually, most of these persons have been self-supporting and blindness has occurred at an age when retirement had already begun.

AID TO PARTIALLY SELF-SUPPORTING BLIND RESIDENTS.

During the year about 153 recipients of Aid to Partially Self-supporting Blind Residents were discontinued for all causes. Of this number 38.6 percent were discontinued because of earnings. Since the statewide average Aid to Partially Self-supporting Blind caseload during the year was 305 cases, this means that 19.3 percent of these were discontinued because of earnings. Some of these blind persons will have their aid restored while others have achieved full and permanent self-support.

PREVENTION OF BLINDNESS.

Services provided for applicants for or recipients of Aid to the Blind include medical eye care when such care can restore vision or prevent further loss of vision. Medical decisions are made by the State Ophthalmologist who considers the advisability of providing eye care for the individual as he reviews the eye examination reports submitted in connection with an application for Aid to the Blind. The State Ophthalmologist also re-reviews these reports at any time an applicant or recipient expresses an interest in requesting eye care.

The program is primarily a surgical one, covers all of the expenses incident to such care including a presurgical eye examination by an ophthalmologist, a physical examination, the surgical fee, hospitalization, postoperative care by the surgeon, a final refraction and glasses. Additional items, such as transportation and postoperative nursing home care, are also provided when necessary.

During the fiscal year 1958-59, 267 eye surgeries were provided under the Prevention of Blindness program, as follows:

Cataract extractions	Approximately 95 percent of the total	252
Discission	Approximately 5 percent of the total	4
Pterygium		5
Glaucoma surgery		1
Corneal transplant		1
Miscellaneous		4

The number of surgeries performed in the 1958-59 fiscal year would probably have totaled approximately 367 or more but it was necessary to delay action on about 100 cases due to lack of funds. Additional funds have been granted for the 1959-60 fiscal year to cover these cases. It is estimated that 402 surgeries will be performed during the 1959-60 fiscal year, including 353 cataract extractions.

In addition to eye surgeries, medical care can be provided for patients who have glaucoma, a serious eye condition requiring continuous treatment to prevent loss of vision. Glaucoma treatments are usually available through local facilities. This is considered advisable as it promotes more regular observation and medical care which is essential in the treatment of glaucoma which may progress without pain or other symptoms. When glaucoma treatments are not otherwise available, they are provided under the Prevention of Blindness program.

Although a complete analysis of the results of the Prevention of Blindness program during this fiscal year cannot be made until January 1960 (since final care reports are not due until five or six months following surgery), prevention of blindness surgery usually results in improved vision for more than 90 percent of the patients. In a great many cases vision is so improved that the patient is no longer dependent on Aid to the Blind for support. Vision is frequently improved to 20/20 which is considered normal.

THE TREND

FUTURE TRENDS.

Since California's population will be represented by an increasingly larger number of persons 65 years of age or older, and since it is this age group which has the highest incidence of blindness, it is expected that the number of blind persons in the State will gradually increase.

However, it is possible for this trend to be sharply reduced insofar as the number of older recipients are concerned and the average age may be much less due to: the increased coverage and larger amount of Old Age and Survivors Insurance, which will mean that fewer persons 65 years and over will be applying for public assistance. Also, the anticipated expansion of the federal disability program might mean a large number of blind people will receive this compensation instead of Aid to the Blind. Finally, the number of blind children in California has increased. Within the years immediately ahead a considerable portion of this larger number of young blind people will apply for Aid to the Blind. With the decreasing average age of recipients must come increasing emphasis on the social welfare programs for the blind for the reduction of dependency, particularly economic dependency.

LONG-RANGE PLANNING.

Increasing emphasis is being placed upon reduction of economic dependency and promotion of self-care through the following approaches:

Efforts will continue to encourage lower caseloads for county social workers handling Aid to the Blind so that the responsibility for decreasing dependency can be more effectively carried out.

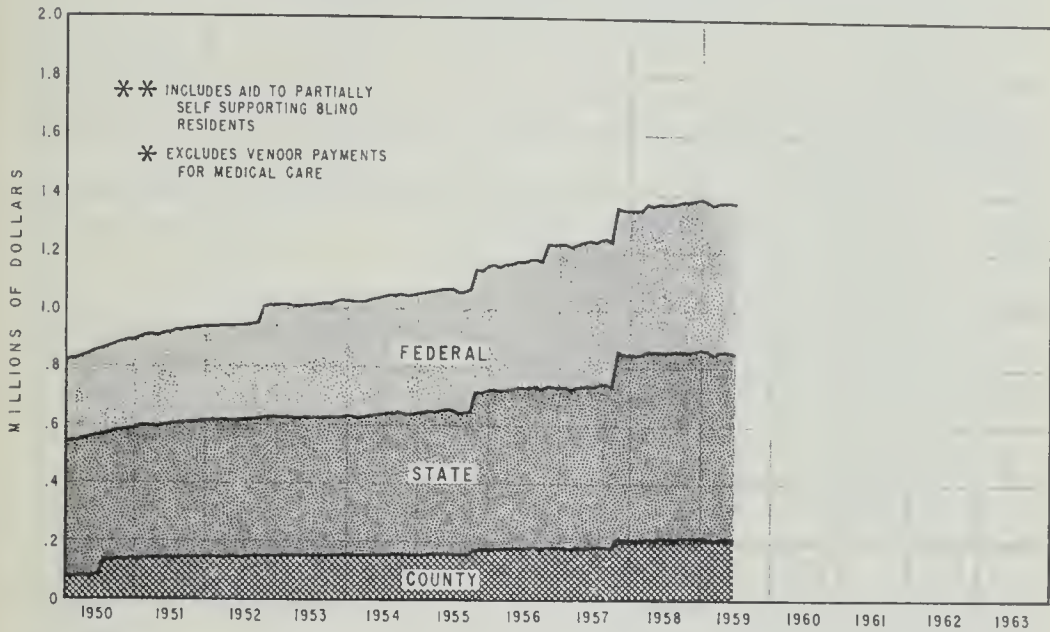
Every possible encouragement will be given in an effort to stimulate a greatly accelerated program of job placement of blind persons.

The Prevention of Blindness program needs to be expanded to cover other than applicants to assistance for the blind to help curb blindness since there are many blind people who can be benefited by this program.

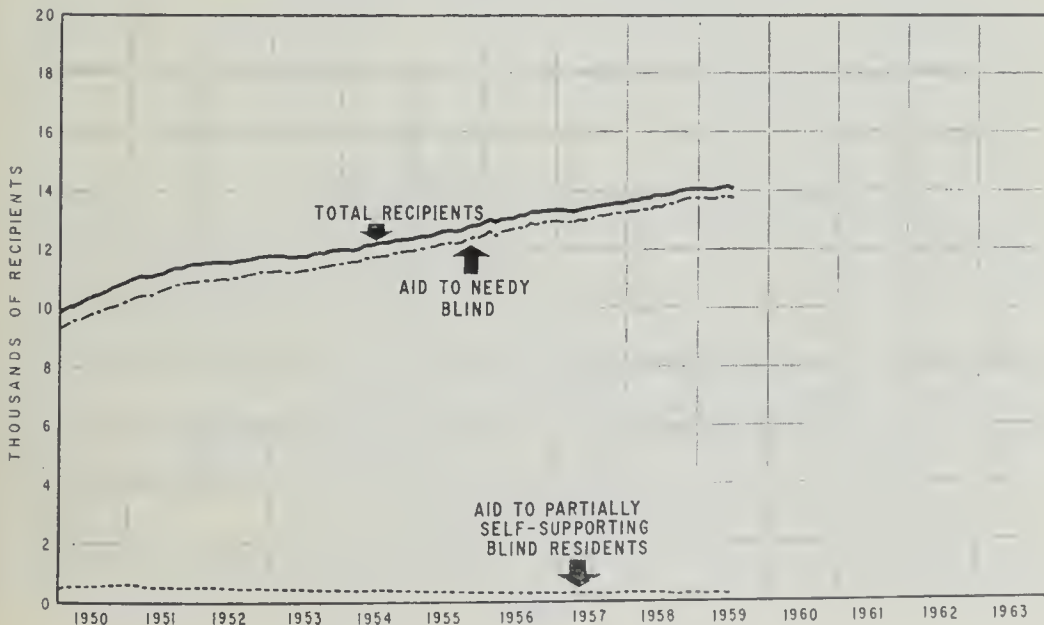
The establishment of specialized caseloads in Aid to the Blind in the larger counties is effecting marked reduction in dependency for

many blind men and women now receiving aid, especially through physical and social adjustments. Also, experience has shown that this plan makes increasingly effective efforts to reduce economic dependency among the younger blind. Particular attention is given by workers specialized in problems of blindness to the development and use of resources, local and statewide, which will enable recipients to achieve the maximum potential for economic, social and physical adjustments.

STATE OF CALIFORNIA
EXPENDITURES^{*} FOR AID TO THE BLIND^{}**
 BY MONTH, JANUARY 1950 TO JUNE 1959



STATE OF CALIFORNIA
RECIPIENTS OF AID TO THE BLIND
 BY MONTH, JANUARY 1950 TO JUNE 1959



THE CHILDREN

Aid to Needy Children program provides financial assistance for families with children under 18 years of age where support and care are lacking because of death, absence, or incapacity of a parent. The child must be a resident of the State and he and his family may not possess personal property in excess of \$600 nor real property with a net assessed value in excess of \$5,000. Money payments are made to bring the level of income to amounts defined by law and the rules of the State Social Welfare Board. The statute directs that children be kept in their own homes wherever possible and that the best substitute care shall be provided for those children who must be given foster care.

Outpatient medical care is available to children who are recipients of Aid to Needy Children, to needy parents or needy persons taking the place of parents.

In June 1959, 71,060 families received Aid to Needy Children. In these families, 252,404 persons were budgeted for assistance of which 196,161 were children under the age of 18. In addition, 12,196 children in boarding homes and institutions received grants. The average grant per person budgeted for assistance was \$42.15.

Studies indicate that less than half of these families own real or personal property other than personal and household effects and that probably less than 7,500 own personal property valued at more than \$200. Approximately 10,000 own some real property.

Of the 71,000 families, the father is dead in about 5,000, and ill and unable to work in about 8,300. In 4,400 he is in prison, and in 17,700 he is not with his family because he is divorced or legally separated. In 17,100 families he is otherwise separated or has deserted, and in 17,000 families was never married to the mother. In the majority of these 17,000 families, he and the mother never lived together.

About half of the 71,000 families have received assistance for 20 months or less, and about 6,600 families have received assistance continuously for eight or more years.

The whereabouts of better than 60 percent of the voluntarily absent fathers is known. Of those fathers known to be in California, about one-fourth make contributions to the family in a given month. About 11,200 of these families receive contributions from the absent father in a given month, for an average amount of \$57. Income other than the grant is received by 27,300 families, for an average of \$65.50 per family.

Income from within the family group itself (absent father, stepfather, mother, children, incapacitated father) forms the largest single reason for discontinuance.

Persons, associations or corporations must be licensed by the State Department of Social Welfare to receive and care for children or to find homes for them.

Family boarding homes are licensed by county agencies under delegation from the State Department of Social Welfare. Foster homes approved for the exclusive use of a licensed child placement agency need not in turn be licensed.

In June 1959, 94 children's institutions (24-hour care, parent-child care, camps, and maternity homes) were licensed serving an estimated 4,400 children. There were 15,900 children's boarding homes licensed, serving an estimated 40,000 children in that month. In addition, 43 child-placing agencies are licensed, and approximately 1,000 day nurseries for a capacity of about 28,000 children.

Public and private agencies are licensed by the State Department of Social Welfare to accept relinquishments and place children for adoption. Some of these agencies are licensed to make reports to the courts on independent adoptions; in other instances, such reports are made by the State Department of Social Welfare.

Four thousand seven hundred children were accepted for care by public or private agencies accepting relinquishments for adoption. Two thousand six hundred children were placed for adoption and service was terminated for 2,000 children previously accepted for care. Reports were made to the court on 5,127 independent adoption petitions, of which 3,976 recommended the adoption, 950 recommended against and 201 were dismissed or otherwise disposed of.

Federal Child Welfare Services funds are utilized to finance social work positions, community projects and scholarships to demonstrate the value of, and improve, preventive, protective and other child welfare services.

NEEDS OF CHILDREN. The needs of children who have the opportunity to live normal, happy lives are many and varied. To provide the opportunity for needy children to enjoy normal, happy lives, many more needs must be fulfilled.

The family is the basic unit on which children are dependent for growth and development. While the family is not as self-contained and self-sufficient as it was at earlier periods in history, it nevertheless continues to be the chief source of the love, nurture, guidance, and care each child needs in order to develop fully.

FAMILIES HELPED TO BECOME INDEPENDENT. Assisting families toward social, vocational, and economic independence is a vital part of social welfare programs in achieving an important goal in the care of children.

SOLUTIONS. The solutions to the problems of poverty and dependency are sought in two ways. The first consists of community, state, and national measures and programs for all people directed toward full

employment, income protection through unemployment and other forms of social insurance, disability compensation, minimum wage scales, education and vocational training; and other services, low cost housing, rehabilitation of the handicapped, public health services, consumer education, protection measures and many others.

The second responsibility is primarily that of this department and all the county welfare departments. That is, public welfare services for families and individuals unable to meet their needs through normal channels.

WHAT NEEDS TO BE DONE. Much already has been done through the years to provide solutions to the problem of poverty and dependency through public assistance, child welfare, and other social service programs. However, much more needs to be done in the development of a strong and effective program for families and children.

This development must take the form of careful planning based on knowledge of factors in society that create dependency, the forms dependency takes, and just what policies, organization, and administrative measures and facilities are needed to solve more of the problems.

The basic assumptions that the community wants and is willing to support a program of services over and above payment of aid must be re-examined. It cannot be assumed that everyone knows or agrees that the payment of assistance without accompanying services is not effective in helping families solve the problems that cause dependency.

Possibly other questions that will need answers will be related to the present policies and practices in relation to program objectives. For instance, does the lack of a uniform and adequate general assistance program force men to desert their families in order to qualify their children for Aid to Needy Children when their earnings are substandard or seasonal? More research and analysis of the facts will be necessary to obtain answers to these and similar questions. Depending on the results, recommendations may be needed to revise the policy which will be consistent with social conditions related to the needs of dependent families.

In the interim there will continue to be the need for interpretation, negotiation, and consultation with local agencies for favorable operation and continued development of the services program.

IDENTIFIED MEASURES. The following are the more important areas of need and the measures for meeting them that have been identified for families.

Adequate provision for maintenance of deprived, troubled families who first of all need security and freedom from anxiety.

The efficient expenditure of assistance funds by needy families will help them to a better standard of living and responsibility. While many families are able to meet their needs from the assistance grant, there are others who need additional help in this area. Even practical assistance in purchasing, meal planning and other aspects of money management is needed.

Many families may have resources which could be made available to them if they have assistance in the development of this income. These may include social security, veteran's benefits, pensions, private trusts, etc.

Other potential income for children is from parents who are legally and morally responsible for their support. Public assistance agencies have the responsibility for locating absent parents and obtaining support, on a voluntary basis if possible, and in such a way that the relationship with the children is strengthened rather than weakened. When necessary, law enforcement agencies have been called upon for this assistance.

Assistance in obtaining employment—even retraining or vocational training may be necessary to help parents become employable. In addition, many families have special personal emotional, environmental, or social problems which prevent them from obtaining employment.

This often goes to the need for rehabilitation. A large proportion of the Aid to Needy Children families are dependent because of physical or mental incapacity or handicap of a parent. Services are aimed at vocational rehabilitation or at making a more satisfactory life possible for the incapacitated person and his family through restoration or improvement of his capacity for self-care.

Finally, there are the families whose dependency is caused or complicated by chronic problems of personal and family relationships, failure or inability to assume parental responsibility, and various forms of irresponsible or socially unacceptable behavior. The department and the public are justifiably concerned when these conditions further jeopardize the opportunities for wholesome development of the children.

The public expects the department to be concerned about the quality of the home and wherever possible to employ its skilled services to minimizing or resolving these situations. The objective is twofold: To strengthen the family's self-respect and responsibility. To prevent negative effects upon the children.

Though many marriages cannot be restored, time, effort, and skill with the adult can produce improved relationships with the children and strengthen the parents' capacity for good protection and guidance of the children.

This can be most important in stepfather relationships where deprivation and conflict otherwise tend to weaken instead of strengthen the soundness of an already divided family.

More important is the constant help to set and achieve sound family and personal goals, with counseling consistently available in moving toward them. Persistent help in planning realistically and toward goals of independence for some if not all family members is particularly important in many cases of illegitimacy and in the multiproblem families if patterns of continuing dependency from generation to generation are to be avoided.

Where such activity fails to produce a sound family situation for children, the department must take responsibility with the help of other agencies for developing other alternatives for the care of the children.

GROWTH OF ANC CASELOAD. The past few years have shown a great increase in the number of children aided by Aid to Needy Children. In December 1955 there was a caseload of 146,698 children as compared to 208,357 children the end of the 1958-59 fiscal year, or an increase of 42 percent. A large part of this increase was

the result of an increase in the general child population. The remainder of the increase was the result of the recent recession.

CHANGING NATURE OF CASELOAD.

The changing nature of the Aid to Needy Children caseload is a reflection of the changing social conditions and a generally weakened family structure throughout the entire population. Divorce, desertion, and separation have become "easy" solutions to marital problems. It was estimated that in California in 1959 there will be almost 50 divorces and annulments for every 100 marriages. Also, people with means so limited that they cannot afford the cost of divorce simply resort to separation or desertion. The increased rate of illegitimacy is another significant factor in the increase in the number of incomplete families. Conservative nationwide estimates are that illegitimacy rose from 36.7 per 1,000 live births in 1948 to 47.4 per 1,000 in 1957. Illegitimacy statistics are not available for California because illegitimate births are not reported. It can be assumed that the experience in this State is not too different from the rest of the nation.

CHILD WELFARE SERVICES.

Most families in California are able to provide a wholesome family situation without any special help. Some parents, due to circumstances or personal problems, need help in providing adequate care for their children. Through the program administered by this department, by county welfare departments, and by private agencies and institutions licensed by this department, help is provided to families and children who are living together and to children who must be cared for away from home or who need a permanent home through adoption.

Some children will continue to need out-of-home care, but there is increasing recognition that the emotional needs of most children can best be met if they can grow up in their own homes. A number of county welfare departments have been providing services to families through child welfare staff, both to parents who request help with problems affecting children, or in offering help when there is evidence of family problems resulting in the neglect of children.

ADOPTIONS.

In the past decade there has been a decided increase in the number of children born out of wedlock. Many of these mothers now turn to adoption agencies to secure assistance in planning for their children's future. There is a smaller group of children being released by married parents unable to care for their children.

When permanent care out of home is needed for a child without a family, adoption is ordinarily the most suitable plan. More and more it is considered that any child is suitable for adoptive placement if he needs and can profit from it and a home can be found to meet his needs. This is true whether the child is a hemophiliac, of school age, or an infant.

SERVICES.

A scant 5 to 10 years ago, about 95 percent of agency placements were of white infants less than a year old.

Agencies are now able to place children in minority groups, older children, and even children with emotional or physical handicaps. The concept of the adoptable child to include all who can profit by adoptive placement is accepted not only by agencies but more and more by those

wishing to adopt. An increasing number of children of minority status groups are being placed. These include Negro, Mexican, Oriental, Filipino, and Korean as well as Indian, and Malayan children.

No longer is it necessary to consider that if brothers and sisters are orphaned and without relatives that foster home or institutional placement will be needed until they grow up. There are adoptive applicants who will accept three or four, and on occasion, even five or more brothers and sisters into their home.

RECRUITMENT ACTIVITIES.

Recruitment activities were carried on in a number of projects, among them, two special recruitment projects, MARCH! (Minority Adoption Recruitment of Children's Homes) in the San Francisco Bay Area and the Joint Recruitment Project for Minority Adoptive Homes in Southern California. These projects operated for three years to find new techniques to recruit applicants for as well as to determine conditions which could hamper adoption of minority children. Final reports and recommendations of the two projects will be ready for release during the coming fiscal year.

In addition to the above efforts the adoption agencies in the three sections of the state covered by the area offices of this department have exchanged information and worked together to achieve adoptive placement. When it was not possible to place children locally or with the area agencies they were registered with the Adoption Resource Referral Center in the main office of this department in Sacramento for statewide coverage.

RESOLVING PROBLEMS.

Agencies provide services and assistance, other than the immediate needs of the adoptive child, to the natural parent. These have included planning, financial aid, and medical and hospital care. Under new legislation a portion of the adoption fee is set aside to be used to purchase private medical care for some expectant unmarried mothers considering adoption for their children.

The standards of services, regulations, and allocation of funds were, according to law, the responsibility of this department. County agencies were responsible for individual plans, agreements with physicians and hospitals, and the selection of mothers. Private agencies generally had some funds with which to assist mothers.

MATERNITY CARE.

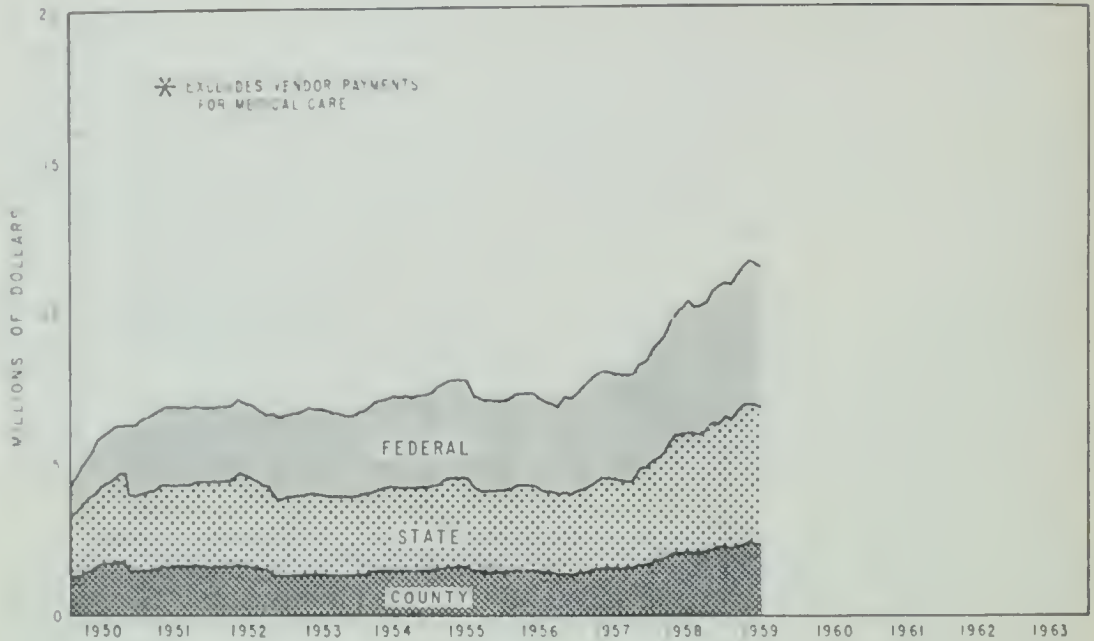
There was insufficient time of operation of this Maternity Care program at the end of the 1958-59 fiscal year to make any predictions of the possible outcome. However, the payment of fees by adoptive applicants for this special service exceeded estimates and it should be possible for the ensuing fiscal year to increase allocation to public agencies. Reports revealed that in 1958 one-seventh of the eligible mothers accepted by the agencies were in need of services. Allocations made in January 1959 were based on an average of \$150 for each mother. In June 1959 deposits had increased sufficiently to make the allocation on the basis of an average of \$187.

GROWTH OF ADOPTION CASELOAD.

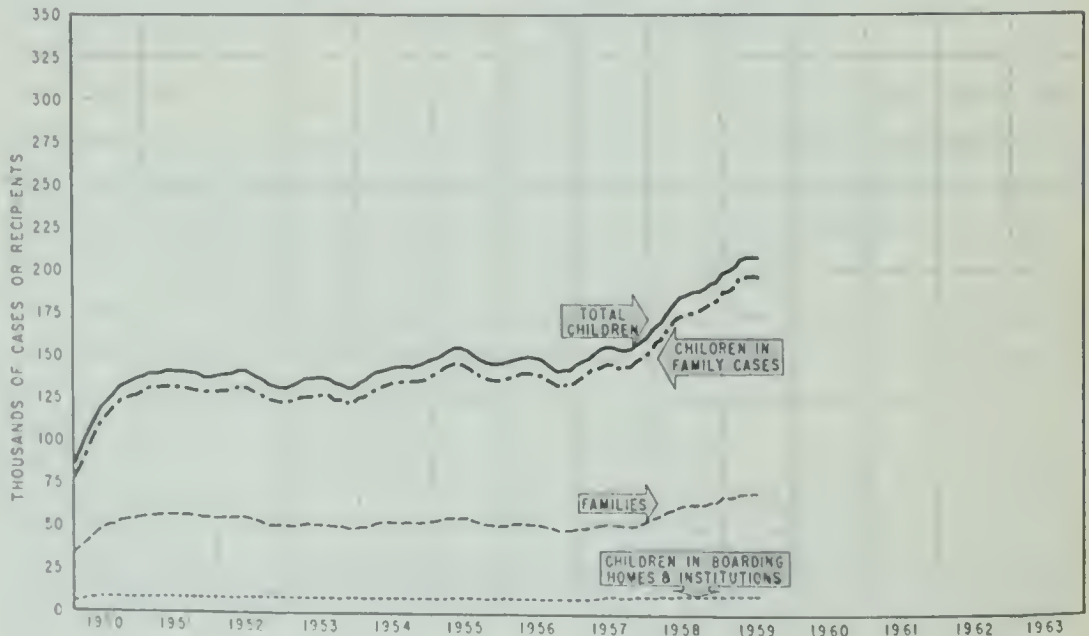
During the last decade agencies in California licensed to place children for adoption have increased from 8 to 35 (public and private). In addition, one of these statewide private adoption agencies, the Children's Home Society, has greatly increased the availability of its services through 13 offices. The

increase in the demand and need for adoption services has far outstripped the population growth in this State. There is an increasing acceptance of adoption planning as a way of serving the needs of children, natural parents, and adoptive parents.

STATE OF CALIFORNIA
EXPENDITURES* FOR AID TO NEEDY CHILDREN
 BY MONTH, JANUARY 1950 TO JUNE 1959



STATE OF CALIFORNIA
RECIPIENTS OF AID TO NEEDY CHILDREN
 BY MONTH, JANUARY 1950 TO JUNE 1959



STATE OF CALIFORNIA
**CHILDREN ACCEPTED FOR ADOPTIVE STUDY &
 INDEPENDENT PETITIONS RECEIVED**

QUARTERLY AVERAGES

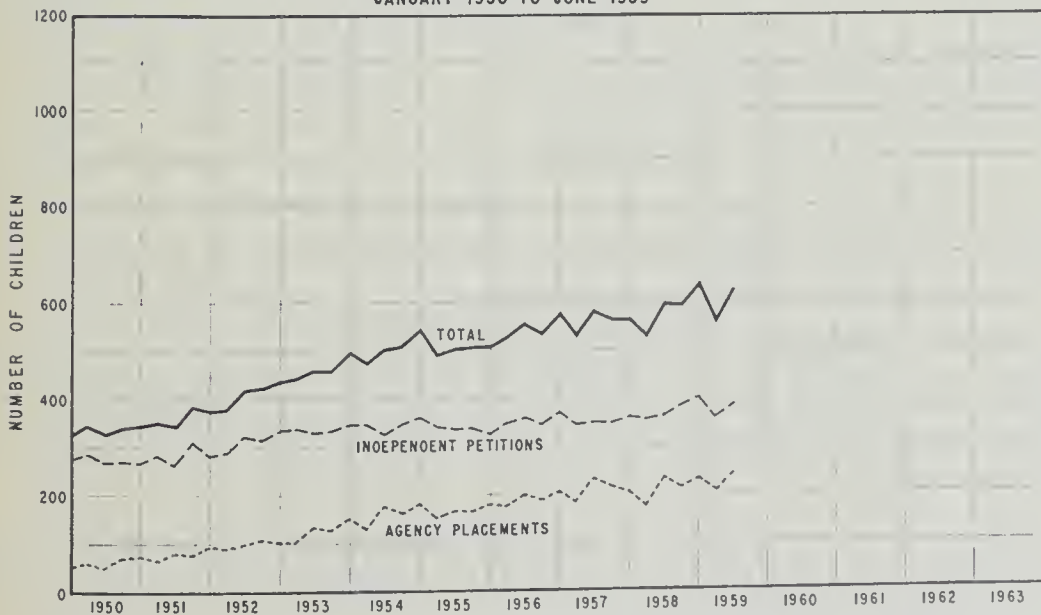
JANUARY 1950 TO JUNE 1959



STATE OF CALIFORNIA
**CHILDREN PLACED FOR ADOPTION BY LICENSED
 AGENCIES & INDEPENDENT PETITIONS RECEIVED**

QUARTERLY AVERAGES

JANUARY 1950 TO JUNE 1959



THE DISABLED

Financial assistance is provided to persons 18 years of age or over who have a major physical impairment, other than a psychosis that is not likely to improve and which requires constant and continuous care. The recipient must have been a resident of the State for five years, may not have personal property of a net value exceeding \$600 nor real property of a net assessed value exceeding \$5,000. The average grant for all recipients may not exceed \$98.

Effective October 1, 1959, a recipient may receive certain medical care.

In June 1959, there were 6,300 people receiving Aid to the Needy Disabled in California. This program as approved by the Legislature in October 1957 is limited to those with a major physical or mental handicap that results in the need for help or supervision in the activities of daily living. The determination of disability is performed by State Department of Social Welfare medical review teams on the basis of medical and social information submitted by county welfare departments.

An advisory committee, established by law, provides consultation to the department on the medical and rehabilitative aspects of the program. Committee membership has been increased from seven to nine, the maximum permitted by law. Members of the committee include the following: John Beeston, M.D., Los Angeles; Mrs. Constance L. O'Brien, Pasadena; Mr. Robert G. Dicus, Los Angeles; Miss Elizabeth E. Payne, Los Angeles; Seymour Kolko, M.D., San Francisco; Mr. Howard Rourke, Ventura; Leon Lewis, M.D., Berkeley; Mrs. Lillian Sattinger, Los Angeles; and Mr. Charles C. McGonegal, Sanol.

During the past year, there were a number of significant developments in Aid to the Needy Disabled:

The standard of assistance was revised in order to meet the needs of disabled persons more adequately. As a result, the average grant increased from \$76 to \$87.

The definition of disability in the regulations was modified, to the extent permitted by law, to permit inclusion of severely disabled persons not covered by the original regulations. Chiefly affected were cardiac cases and those with certain far-advanced physical ailments. The program is still limited to those who require constant care or supervision.

The number of recipients residing in public medical institutions increased from 23 percent to 30 percent. This, in part, is due to the absence of provision for attendant care in the program (since remedied by legislative approval of SB 867).

Arthritis, mental deficiency and cerebral paralysis (which includes the hemiplegics and paraplegics but excludes the spastics) continue to be the impairments most frequently found among ATD recipients, accounting for about 40 percent of the caseload. Other diseases found among 5 percent or more of the caseload as the basis for eligibility are cerebral palsy, multiple sclerosis, and the circulatory diseases.

Two important changes in the law were approved by the 1959 Legislature affecting the program. The first provides for inclusion of Aid to the Needy Disabled in the Medical Care program. The second provides allowances for attendant care in the grant so long as the statewide average grant does not increase beyond \$98.

MEDICAL CARE. The major problem in Aid to the Needy Disabled during the coming year will be implementing the Medical Care program. The law provides a \$6 premium payment per month for each recipient as in the other aids. This sum is inadequate to meet the medical needs of the needy disabled. During the past year, the State Department of Social Welfare conducted numerous studies to determine how to use a limited amount of money (about \$40,000 per month) most constructively for medical care for this group of recipients.

The problem was discussed extensively by various professional advisory committees to the department. Agreement was reached on the following:

Medical Care funds in Aid to Needy Disabled are too limited to provide the same range of out-patient services as provided in the other programs.

Aid to Needy Disabled medical funds should be used to supplement existing community resources and not subvent or substitute for existing services.

Emphasis should be placed on individual evaluation aimed at improvement in function through physical restoration services and devices and self-care services.

Services should not be provided across the board but on a selective basis only and in relation to a plan for physical restoration and self-care.

The first six months of the program should be considered experimental. At the end of that period, experience should be evaluated and the necessary adjustments made.

Emphasis should be placed on the accumulation of data concerning the medical needs of disabled persons for possible expansion of the program when additional funds are made available.

Other choices were considered and discarded such as the provision of drugs across the board for all recipients as needed, the provision of one medical doctor visit per month and limited drugs, etc.

It is felt that while this group of recipients has limited potential for vocational rehabilitation, much can be done in the direction of functional improvement. In some instances, this could result in the release for employment of able-bodied relatives in the home.

Agreement was reached that emphasis in the Aid to Needy Disabled Medical Care program will be functional improvement services. This is regarded as a constructive approach which supplements existing medi-

cal care facilities for the indigent with services that are not available in most communities.

CASE SELECTION. Since it is impossible to service all cases at the same time, three criteria were established for selection of cases. These include the following:

Those who apply for Aid to Needy Disabled on or after October 1, 1959. This is the date the law will be effective.

Those considered feasible for functional improvement services at the time of annual reinvestigation.

Those who request physical restoration services or for whom such services are requested.

In general, feasibility will be determined as follows:

Those who can benefit from physical restoration or achieve a greater degree of self-care through the receipt of specified services and assistive devices, and

Those who show evidence of sufficient motivation and potential to warrant expenditures, and

Those for whom the required services are not otherwise available or accessible.

A county may authorize evaluation and treatment services for 20 percent of its caseload in any one year. It is estimated that approximately 15 to 20 percent of the statewide caseload might qualify for functional improvement services.

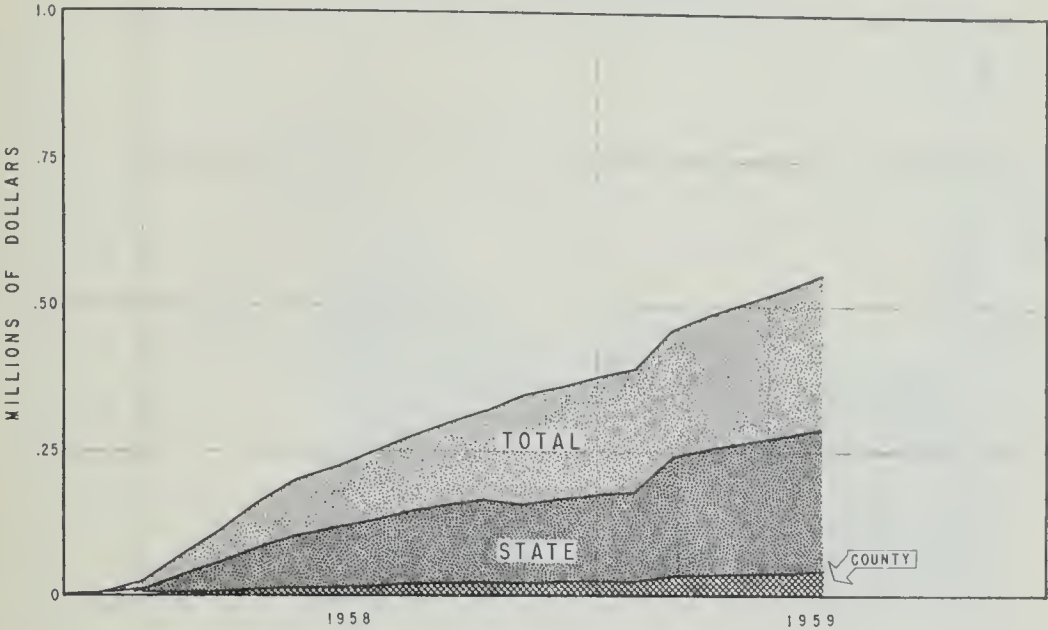
SERVICES AVAILABLE. In order to conserve the limited funds available in this program, expenditures will be authorized only for services and items essential to a plan of functional improvement. The maximum authorization will be \$300 in any 12-month period to include evaluation and treatment services.

Services allowed are the following: Physician home and office visits, including X-ray and laboratory services; nursing services, if not otherwise available to the recipient; physical and occupational therapy services; appliances and assistive devices; household rehabilitation equipment, such as bathroom rails, overhead trapeze bars, etc.

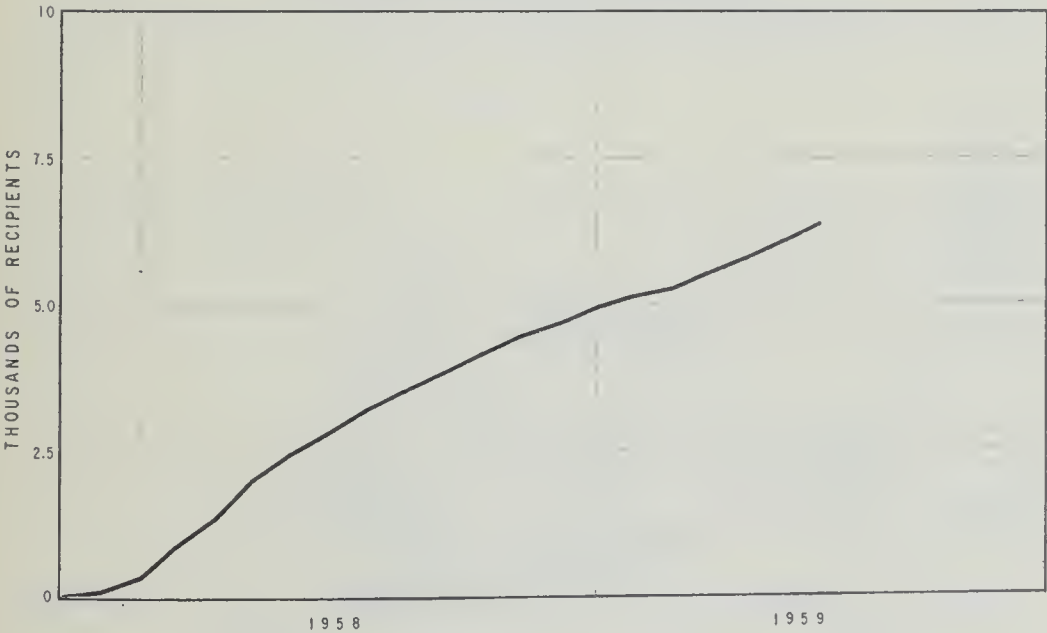
ADMINISTRATION. The Aid to the Needy Disabled Medical Care program will be administered by county welfare departments under state supervision. County personnel involved in the program will be the county medical consultant, Aid to the Needy Disabled supervisor, Aid to the Needy Disabled caseworker, a medical social worker, if available on staff, and such additional technical and professional personnel as needed.

During the first year of the program every effort will be made to accumulate as much experience and data as possible to enable the department to make suitable recommendations to the Legislature for modifications in the program.

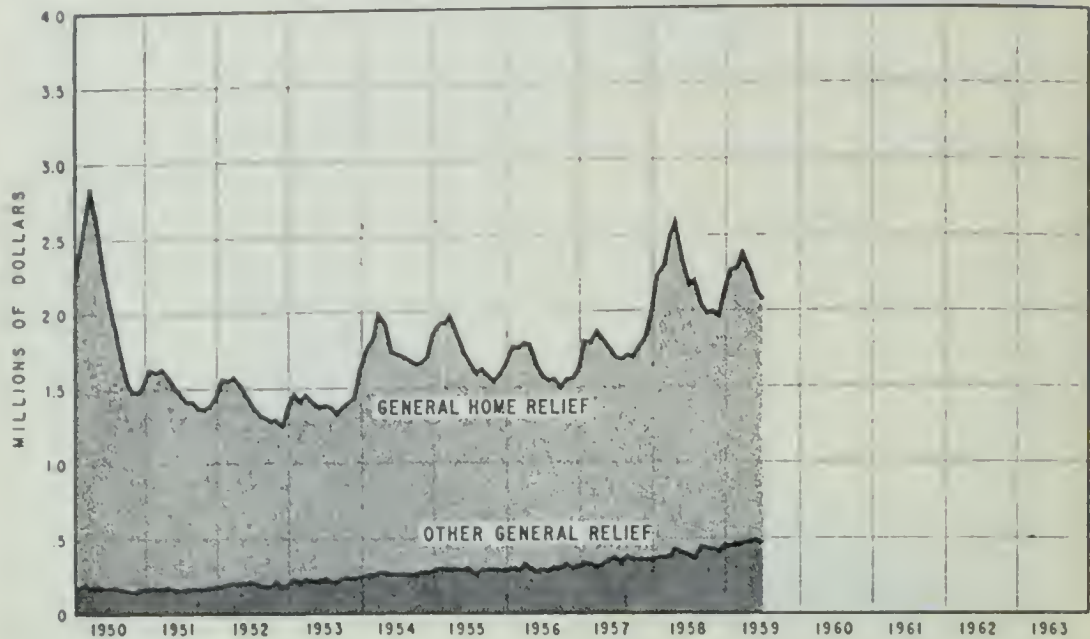
STATE OF CALIFORNIA
EXPENDITURES FOR AID TO NEEDY DISABLED
BY MONTH, OCTOBER 1957 TO JUNE 1959



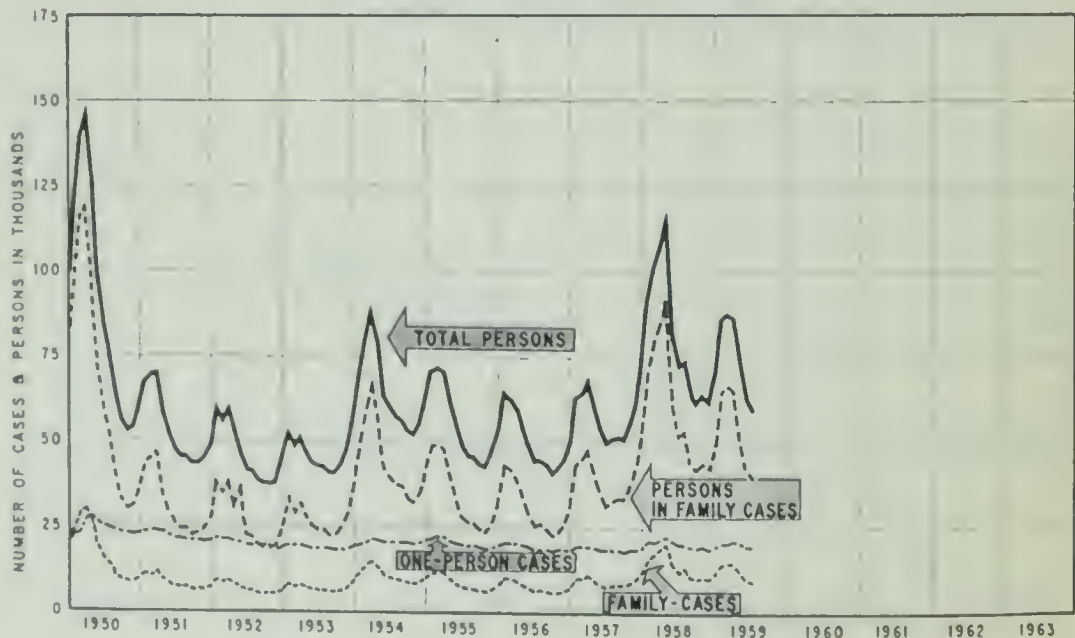
STATE OF CALIFORNIA
RECIPIENTS OF AID TO NEEDY DISABLED
BY MONTH, OCTOBER 1957 TO JUNE 1959



STATE OF CALIFORNIA
COUNTY EXPENDITURES FOR GENERAL RELIEF
 BY MONTH, JANUARY 1950 TO JUNE 1959



STATE OF CALIFORNIA
RECIPIENTS OF GENERAL HOME RELIEF
 BY MONTH, JANUARY 1950 TO JUNE 1959



MEDICAL CARE

After 21 months of rather tumultuous operation, the Medical Care program appears to be settling down to a fairly smooth and stable operation.

When the program was placed in effect in October 1957, the department was charged with the responsibility of meeting medical needs of recipients of Old Age Security, Aid to the Blind, and Aid to Needy Children. Prior to this time recipients were dependent on their limited income resources and the availability of free care.

Approximately \$30,000,000 is available annually for meeting those medical needs. This money comes from a monthly premium deposit of \$6 for each recipient of Old Age Security, Aid to the Blind, and adult in an Aid to Needy Children case. A \$3 deposit is made for each eligible child in an Aid to Needy Children case. The premium is shared equally by the federal and state governments. The money is allocated to a statewide pooled fund known as the Medical Care Premium Deposit Fund.

When the department undertook the administration of the Medical Care program, it was desirous of meeting the medical needs of recipients to the fullest extent possible in both quality and quantity.

As required by statute the Social Welfare Board availed itself frequently of the services of the Medical Care Advisory Committee. The membership of this committee, composed of representatives of organizations experienced in furnishing medical and related services, has contributed materially to the development of policy and vendor acceptance of the program.

FINANCIAL SOLVENCY.

After about six months of operation, the expenditures for medical care in the Old Age Security and Aid to the Blind programs began to exceed premium deposits. The situation was more serious for the blind than for the aged, primarily for the reason that the average recipient of Aid to the Blind has less income which can be applied toward medical needs.

By November 1958, expenditures from the Medical Care Fund in the Old Age Security program were running \$6.86 per recipient. Of this amount \$4.37 was for prescriptions and \$2.49 for practitioner services. For the same month in the Aid to the Blind program, monthly expenditures from the fund were \$7.17 per recipient; \$4.18 for prescriptions, and \$2.99 for practitioner services.

DRUGS.

When the Medical Care program was initiated in California, it was assumed that the cost of prescriptions would equal the

cost of other services. This had been the experience in other states. However, it will be noted by the figures cited above that the cost of prescriptions was approaching double the cost of other services.

In January 1959, the Social Welfare Board adopted a proposal of the Medical Care Advisory Committee to limit payment of drugs to those items found absolutely necessary for adequate medical care.

A special pharmacological committee was constituted for development of a list of high priority drugs. A list of 65 drugs was recommended by the committee and accepted by the State Board. Under the rules adopted by the board, these 65 drugs are payable from the fund. Other drugs are reimbursable to the recipient if he has income which he can apply to the purchase of drugs as a special need.

On the whole, reaction to the curtailment of drugs has been favorable. Medical practitioners report that they can practice good medical care using the drugs on the restricted list. There have been few complaints from recipients.

The new policy restricting drugs payable from the Medical Care Trust Fund went into effect April 1, 1959. Drug expenditures in the Old Age Security program for March 1959, averaged \$5.63 per recipient. In the Aid to the Blind programs cost for drugs averaged \$5.28 per recipient.

In June 1959, after the policy had been in effect three months, the cost of drugs in the Old Age Security program had dropped to an average of \$1.90 per recipient. In the Aid to the Blind programs, drug expenditures paid from the fund averaged \$2.09 per recipient.

ADMINISTRATIVE SIMPLIFICATION. A rule adopted by the department which prohibited payment of bills rendered more than two months after the month of service created difficulties. Some practitioners failed to submit their bills within the 60-day limit. It is estimated that at one period of time more than \$100,000 of service had gone unpaid because of this regulation.

The 60-day rule has now been superseded by the passage of Senate Bill 1057 which writes into the statutes requirement that bills must be presented for payment within a six-month period after treatment has been given.

One of the most objectionable features of the Medical Care program to the California Medical Association was wiped out with the passage of Senate Bill 515. Dual source of payment is no longer necessary.

Dual source of payment was a procedure whereby the doctor might receive payment for his services from the county welfare department in the form of a vendor payment out of the Medical Care Fund one time, and next time be notified by the county welfare department he was to look to the recipient for payment. If a recipient had income other than his assistance grant which was not being used to meet other special needs, he was then expected to pay for the physician's services.

Passage of Senate Bill 515 enabled the department to greatly simplify the administration of medical care. It constitutes a step in the direction of ultimately furnishing medical outpatient services of appropriate quantity and quality to all recipients of aid regardless of their

income status. If and when more moneys become available through Old Age, Survivors and Disability Insurance increases, increases in the maximum aid grant, or outright appropriations to the Medical Care Fund, coverage deficiencies can be rectified and appropriate standards developed.

CONTROLS. The prior authorization requirement was designed as a control on Medical Care expenditures and conservation of funds, but practitioners misinterpreted it as an attempt to tell them how to practice medicine.

As a result of the profession's bitter opposition to the prior authorization procedure, the department undertook an experimental study in four medium size counties (San Diego, Kern, San Joaquin, and Sacramento) to determine whether or not it would be financially feasible to operate the Medical Care program without prior authorization.

It was found that with the co-operation of professional associations, the program could be operated without prior authorization. Therefore, pursuant to recommendations of the Medical Care Advisory Committee, the Social Welfare Board adopted criteria which counties must meet in order to be relieved of the need for prior authorization. The rule permitting elimination of prior authorization went into effect on November 1, 1958.

By the end of the 1958-59 fiscal year, 36 of the 58 counties had eliminated prior authorization procedure for medical practitioners. These counties account for approximately 90 percent of the statewide caseload of those eligible to receive care from the Medical Care Trust Fund program.

MEDICAL AUDIT. A system of medical audit must be included in any plan material for elimination of prior authorization. The purpose of the audit is to safeguard Medical Care Funds and is an ongoing procedure. The function is to be done through a sound system of bills audit. The audit is to include a review of each statement for eligibility to aid, for completeness of billing, correctness, conformity to fee schedule and other mechanical checks as necessary.

COUNTY MEDICAL CONSULTANT. With the elimination of prior authorization, the county medical consultant was given responsibility for negotiating with individual practitioners who appeared to be overutilizing the program. If negotiation directly with the practitioner does not correct the situation, it then becomes the responsibility of the consultant to call the problem to the county welfare director's attention. The director is to prepare material on the situation for presentation to the review committee.

REVIEW COMMITTEE. The review committee is composed of at least three practitioners appointed by the local practitioner association. It is the responsibility of this group to review the alleged cases of abuse and advise the county welfare director on action to be taken on questionable claims. Each practitioner group must set up a review committee as part of its plan material in requesting elimination of prior authorization.

ADVISORY COMMITTEE.

The advisory committee, composed of at least three members, is appointed by the practitioner association. Its function is to advise the county welfare director on matters pertaining to sound administration of medical care. The committee also presents matters originating with the practitioner group to the county director for consideration of the welfare department.

PROFESSIONAL RELATIONSHIPS.

The department has continued its policy of close co-operation with the professional organizations of practitioners who provide services under the medical care program.

The California Medical Association and the California Osteopathic Association have encouraged physician support of the program and have established local and regional review committees. The California State Dental Association appeared before the Social Welfare Board with the recommendation that adequate dental care be provided for all children recipients whenever fund resources permit. The California Pharmaceutical Association has been most co-operative. The California Chiropractic Association appointed a liaison committee which has met several times with department staff.

Although the aforementioned professional associations constitute the majority of participating practitioners, helpful co-operation and advice was received from others as well, such as the associations of chiropodists, optometrists, physical therapists and visiting nurses.

EVALUATION.

It is believed that medical care as now being provided recipients of Old Age Security and Aid to the Blind is fairly adequate. Needed medical services are being provided and yet non-essential items have been trimmed from the program. When prescriptions were placed on a restricted list, expenditures for medical care were finally brought within the appropriation as provided by the Legislature.

However, the medical care program for Aid to Needy Children families is extremely limited and unfortunately so especially in areas where the expenditure of medical care funds may well result in rehabilitation and self-care for families. In this, employable mothers with severe dental defects and incapacitated fathers whose ability to function effectively as the head of the household is severely impeded by dental or other health needs not necessarily directly related to the primary incapacity.

FUTURE TRENDS.

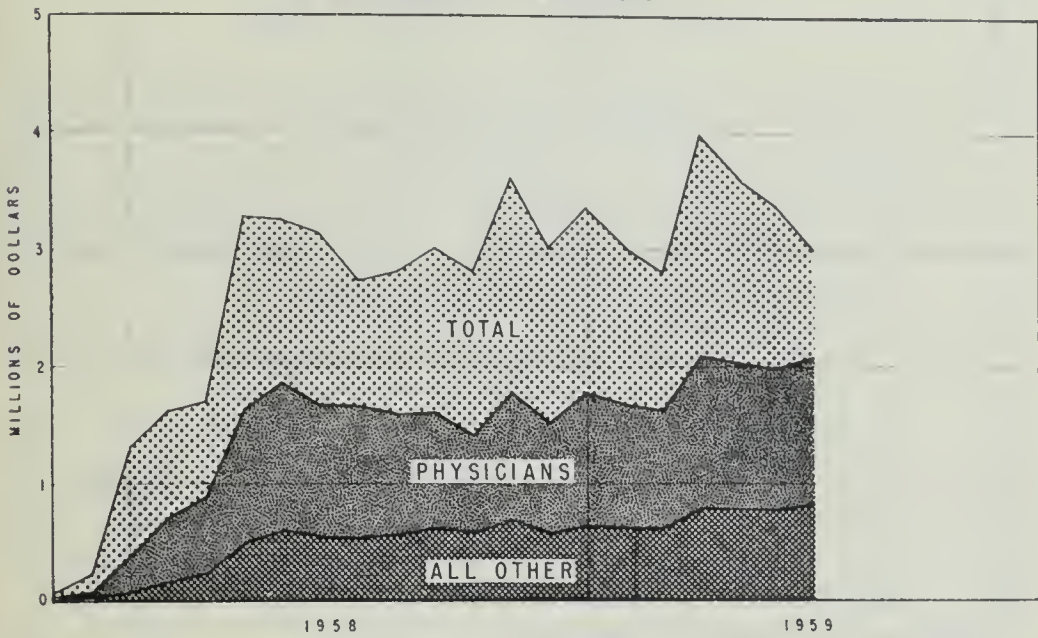
The program needs strengthening in relation to those services designed to reduce or eliminate disabling or incapacitating conditions that increase the need for assistance.

Though the program is reasonably adequate in out-patient care, there are still some areas of limited coverage. These need to be explored and present provisions expanded where found necessary. The financing structure needs to be reassessed.

STATE OF CALIFORNIA

MEDICAL CARE EXPENDITURES FOR PUBLIC ASSISTANCE RECIPIENTS BY MONTH

OCTOBER 1957 TO JUNE 1959



THE STATE DEPARTMENT OF SOCIAL WELFARE

The State Department of Social Welfare is a small—in number of employees—department, most of the work is supervisory, advisory, and guiding the administration of the programs in the 58 California counties. The department functions as an agent of the federal government in the disbursement of federal funds according to statewide plans. It, of course, carries out the laws enacted by the California State Legislature.

The director is appointed by the Governor with the advice and consent of the Senate in accordance with Section 105 of the Welfare and Institutions Code.

The staff of the department consists of about 580 people, including professional workers who specialize in the many phases of the programs, and administration, accounting, training, personnel and other necessary services. In addition to the headquarters office in Sacramento there are three area offices located in San Francisco, Sacramento, and Los Angeles.

THE DIRECTOR

Monday, March 9, 1959, was an eventful day for the department. The new Governor, Edmund G. Brown, appointed J. M. (Jack) Wedemeyer, Director of the State Department of Social Welfare. The former director, George K. Wyman accepted the appointment of Deputy Commissioner of Social Security in the Federal Department of Health, Education, and Welfare in Washington, D.C.

Mr. Wedemeyer, who is responsible for expenditures of over \$400 million a year in state, county, and federal funds has over 25 years' experience in social welfare. He took undergraduate study at Grinnell College in Iowa, and the University of Wyoming, and graduate work at the University of Nebraska.

In 1934 Mr. Wedemeyer was director of the emergency relief program in Platte County, Wyoming, and in 1935 became that county's welfare director. From 1936 to 1939 was a field representative in the Wyoming Department of Public Welfare, and in 1939-40 was executive secretary of the Nebraska Conference of Social Work.

From 1940 to 1951 he served in various social welfare posts in the State of Washington, finally becoming deputy director of the Washington State Department of Social Security. He was area director of the California State Department of Social Welfare from 1951 to 1954—when he became director of research in San Mateo. He was director of the Santa Clara County Department of Social Welfare from 1957 to March 1959.

STATE SOCIAL WELFARE BOARD

Welfare and Institutions Code, Section 101, refers to the State Social Welfare Board, which consists of seven members. "Each member of the board shall be appointed by the Governor with the advice and consent of the Senate for a term of four years. . . . The members of the board shall be selected for their interest and leadership in social welfare activities without regard to political or religious affiliations or profession or occupation." The duties as defined in Section 103 are: "The Social Welfare Board hereby established shall advise the director in the performance of his duties and, by regulation, formulate general policies affecting the purposes, responsibilities, and jurisdictions. . . . The board shall have the power and it shall be its duty to adopt, repeal, and amend such rules and regulations which are consistent with law and reasonably necessary for the administration of welfare. . . . The board shall have no administrative or executive functions other than those set forth in this code.

Another major function of the board is the hearing and determination of appeals of recipients of, or applicants for aid who believe that they were unjustly deprived of the full extent of the benefits to which they are entitled under the law. About 120 such appeals are filed each month, and about 60 a month go to formal hearing. It has therefore been necessary to delegate the hearing function as such to highly qualified specialists employed as referees. These referees conduct the hearings on behalf of the board and then submit a very complete summary of the evidence, the legal points, and a recommended decision to the board. The final decision is always made by the board itself.

JOHN T. MARTIN

John T. Martin, San Diego, has been a member of the board since January 15, 1944, and chairman since June 16, 1952. The board chairman is selected each year by the board in accordance with Section 102, Welfare and Institutions Code.

Mr. Martin is a retired businessman and a public-spirited citizen who has served his city, his county and his state for many years in many capacities and is extremely interested in the betterment of his fellow man.

He was President of the San Diego Rotary Club, 1938-39; President of the San Diego Chamber of Commerce, 1941-42; President of the San Diego War Chest, 1942-46; President of the San Diego-Imperial County Council, 1941-44; Campaign Chairman for the first USO Campaign, 1941; member Board of Trustees, Boys Club of San Diego, 1941-44; member Committee of Management, Armed Services YMCA, 1941-55; member Executive Committee and Management Committee, California War Chest, 1942-46, and has had many other volunteer assignments.

MRS. JACKSON W. CHANCE

Mrs. Jackson W. Chance, San Francisco, a member of the board since September 18, 1952, and vice chairman since February 1955, is well known for her activities in civic affairs and came to the board particularly well versed in the duties and activities of the board. She was, for a number of years, the official observer for the League of Women Voters at the meetings of the board.

Mrs. Chance was a member of the Citizens Advisory Committee on Public Assistance in Los Angeles County; past president of the Pasa-

dena League of Women Voters; past member of the State Board of the California League where she served for several years as chairman of the Social Welfare Department in the league and later as chairman of the International Relations Department; member National Board of the Family Service Association of America; member Family Service Society of Los Angeles; member Council of Social Agencies and Community Chest; member Board of the Women's Hospital of Pasadena; member Family Service Society of Pasadena; the Westridge School for Girls; the Pasadena Area Chapter of the American Association for the United Nations and other groups.

MRS. GEORGE H. BOWMAN

Mrs. George H. Bowman, San Francisco, a member of the board since April 15, 1958, has been active in civic events for the past 25 years. She is a board member of the San Francisco Senior Center and of the San Francisco Homemaker Service; chairman of the committee on Senior Recreation of the Group Work and Recreation Council; a board member of the San Francisco Volunteer Bureau; and a former member of the Governor's Advisory Committee on Children and Youth.

She is a past president of the San Francisco Second District California Congress of Parents and Teachers and a former board member of the California Congress of Parents and Teachers; a past president of the San Francisco Girl Scout Council; and past chairman of the Group Work and Recreation Council of the United Community Fund of San Francisco.

NORMAN J. HARTZER

Norman J. Hartzer, Los Angeles, a member of the board since March 22, 1954, is a well-known businessman and active in welfare events. He is a member of the Board of Trustees of the Catholic Welfare Bureau of Los Angeles; member of the Board of Governors, Welfare Federation, Los Angeles; formerly a member of the Little Hoover Commission, Los Angeles, 1951-54; and other organizations. Mr. Hartzer was re-appointed for a four-year period to end January 15, 1962.

WENDEL J. KISER

Wendel J. Kiser was appointed on May 25, 1959, to the board in place of Louis N. Slater who retired during the fiscal year. Mr. Kiser's term will expire January 15, 1961.

Mr. Kiser is a resident of Modesto and has been active in civic and community events for some years. He is a member of the Modesto Chamber of Commerce, Stanislaus Sportsman's Club, Eagles, and Knights of Columbus.

Mr. Kiser is the Secretary-treasurer of Local 386, Teamster's Union and is also the Recording Secretary for the Joint Council of Teamsters No. 38.

DR. JACOBUS tenBROEK

Dr. Jacobus tenBroek, Berkeley, a member of the board since May 4, 1950, is a well-known scholar and is interested in welfare activities, particularly those of the blind. He is a professor at the University of California and chairman of the Department of Speech.

Dr. tenBroek was the titular and actual administrative head of a statewide campaign which succeeded in amending the State Constitution at the election in November 1949. The amendment placed in the Constitution Article XXVII which reorganized the welfare system of California.

He was one of the founders of the National Federation of the Blind in 1940 and has been re-elected as its president every two years since then. In addition, he is President of the American Brotherhood of the Blind; President of Opportunities for the Blind; member of the President's Committee on Employment of the Physically Handicapped; and other groups.

MRS. LOUIS WARSCHAW

Mrs. Louis Warschaw was appointed on February 10, 1959, to the board in place of Mrs. Lawrence W. Frankley who retired during the fiscal year. Mrs. Warschaw's term will end January 15, 1963.

Mrs. Warschaw has been active in civic events for some time. At present she is a board member of the Los Feliz Elementary School P.T.A.; a member of the Camp Bureau Welfare Planning Council; member of the board of the County Conference on Community Relations in Los Angeles; and a member of the board of the Jewish Center's Associates.

She has also been active in the County and State Committee of the Democratic Party. Also, she is Women's Chairman, South, of the Democratic State Central Committee, and a former member of the Los Angeles County Democratic Central Committee.

MRS. LAWRENCE W. FRANKLEY

Mrs. Lawrence W. Frankley, Los Angeles, a member of the board since May 23, 1957, retired from the board January 15, 1959.

She is a past President of the Women's Division of the Los Angeles Chamber of Commerce and is presently a member of the board. She is also a member of the board of the Museum of Science and Industry and is Vice President of the Assistance League of Los Angeles. Her other offices are: director of the Los Angeles Chapter of the American Red Cross, U.S.O., and the College of Osteopathic Physicians and Surgeons. In addition, Mrs. Frankley is the Vice President of the World Affairs Council, a member of the Advisory Board of the Junior League and a member of the Community Chest's Red Feather Breakfast Committee.

LOUIS N. SLATER

Louis N. Slater, Fresno, a member of the board since May 23, 1957, retired from the board early in 1959.

He is the President of the State Center Bank and the Slater Furniture Company in Fresno. Also, he is a past President of the Fresno Commercial Club; advisory chairman of the Community Chest; past member of the board of the Tuberculosis and Health Association and is currently director of the Heart Association. He has been chairman of the Finance Committee of the American Red Cross for the past 30 years. He is a member of the Advisory Board of St. Agnes Hospital; President of the Sisters of Nazareth Home for the Aged; President of the Temple Beth Israel; past President of B'nai B'rith; and is a member of the board of Boys' Club and the Boy Scouts of Fresno.

STATE DEPARTMENT OF SOCIAL WELFARE

State of California

J. M. Wedemeyer
Director, State Department of Social Welfare

C. A. HERBAGE	Deputy Director, Chief of Operations, and Chief, Division of Administrative Services
E. E. Silveira	Staff Assistant to the Director
Bert F. Williams	Public Information Officer
Rudolf H. Michaels	Administrative Adviser
Thomas T. Jordan	Chief Referee
Ralph Goff	Area Deputy, Los Angeles Area
Jane McKaskle	Area Deputy, San Francisco Area
Harry White	Area Deputy, Sacramento Area
Perry Sundquist	Chief, Division for the Blind
Lucile Kennedy	Chief, Division of Child Welfare
Katherine Knplan	Chief, Bureau of Adoptions
Helen Clauson	Chief, Bureau of Boarding Homes and Institutions
Elizabeth Rhoads	Chief, Bureau of Child Welfare Services
Grace E. Nichols	Child Welfare Consultant
Elizabeth MacLatchie	Chief, Division of Social Security
Arthur W. Potts	Chief, Bureau of Aid to Needy Children
Thomas Pyott	Chief, Bureau of Old Age Security
Leon Lefson	Chief, Bureau of Aid to Needy Disabled
Marion Chopson	Chief, Bureau of Field Review
Mel Spear	Employment Consultant
Carol E. H. Mulder	Chief, Division of Medical Care
John D. Keye, M.D.	Medical Director
Sanford N. Kauffman, D.D.S.	Dental Consultant

Anthony J. Borelli	Pharmaceutical Consultant
John A. Harris	Chief, Bureau of Training
F. C. Locher	Chief, Bureau of Management Analysis
A. R. Albouze	Chief, Bureau of Personnel
Verne Gleason	Administrative Assistant
Henry Stefani	Fiscal Officer
A. C. Ricksecker	Chief, Bureau of Fiscal Services
V. Schaeffer	Chief, Bureau of Administrative Accounting
Grace Scroggin	Chief, Bureau of Office Services
Wilbur L. Parker	Chief, Research and Statistics
P. E. Keller	Chief, Bureau of Research
William F. Hirtz	Chief, Bureau of Statistical Reports



The State Social Welfare Board poses with the secretary and assistant secretary of the board. Left to right, standing: Mr. Wendel J. Kiser, Modesto; Dr. Jacobus tenBroek, Berkeley; Mrs. George H. Bowman, San Francisco; Mrs. Louis Worschaw, Los Angeles; and Mr. Norman J. Hortzer, Los Angeles. Seated, left to right: Mrs. Blanche Maciel, assistant secretary; Mr. John T. Mortin, San Diego, chairman; and Mr. J. M. Wedemeyer, Director of the State Department of Social Welfare and secretary to the board.

Mrs. Jackson W. Chance, San Francisco, vice chairman, is shown in the separate picture.



